

CLAIM FOR ORGANIZATIONAL CLEARANCE CERTIFICATE – WELFARE EXEMPTION

(SEE SECTION 254.6 OF THE REVENUE AND TAXATION CODE)

*This form must be completed and filed with the Assessment Policy and Standards Division,
Board of Equalization, P.O. Box 942879, Sacramento, California 94279-0064.*_____, states:
(name of person making claim)

1. That as _____
(title, such as president, etc.)
2. of the _____
(corporate name from articles if incorporated)
3. the corporate identification number of which, if any, is _____
(if none, enter "none")
4. the mailing address of which is _____
(give complete address including zip code)
5. that I make this claim for an *Organizational Clearance Certificate* on behalf of this organization for the 20 _____ -20 _____ fiscal year (carefully follow instructions for the year to be entered here);
6. that the owner is not organized or operated for profit;
7. that no part of the net earnings of the owner inures to the benefit of any private shareholder or individual;
8. Organizational documents (attach a copy of organizational documents as indicated below)
 - (a) Corporations
 - (1) Date of incorporation _____
(date filed with Secretary of State)
 - (2) Date or dates of all amendments to the articles of incorporation _____

Attach a copy of the articles of incorporation and each amendment, if any, certified by the Secretary of State.

- (a)(3) Is the nonprofit corporation a managing general partner of a Limited Partnership? ☐ Yes ☐ No If **yes**, please submit form BOE-277-L1 and a copy of the certified Secretary of State form LP-1 for each limited partnership.
- (b) Non-corporations
 - (1) Date of organization _____
(date filed with Secretary of State)
 - (2) Date or dates of all amendments to the constitution, trust instrument, or other document evidencing nature of organization _____

Attach a copy of the constitution, trust instrument, etc., and each amendment (if any).

9. Activities
State fully all activities in which the organization is engaged (include all activities since January 1 of prior year and provide documentation describing activities): _____

10. Indebtedness
Has the organization any outstanding bonds, debentures, promissory notes, or other evidence of indebtedness issued for its overall operation? ☐ Yes ☐ No If **yes**, give specific details as to type and terms of such indebtedness and to whom owing: _____

11. Financial statements of the organization for each calendar or fiscal year beginning with the year immediately preceding the claim year.
Attach to this claim a copy of your operating statement (income, expenses) and balance sheet (assets, liabilities) for the calendar or fiscal year immediately preceding the claim year.
12. Is the organization exempt from state franchise or income tax under the provisions of section 23701d of the Revenue and Taxation Code or exempt from federal income tax under the provisions of section 501(c)(3) of the Internal Revenue Code? ☐ Yes ☐ No
If **yes**, attach a copy of the letter evidencing the exemption. If no, the organization is **not** eligible for the organizational clearance certificate unless it is a volunteer fire department or public facility financing corporation which is exempt under section 23701f of the Revenue and Taxation Code or 501(c)(4) of the Internal Revenue Code.
13. Salaries
Is the salary paid to any individual in excess of \$1,500 weekly or \$78,000 annually? ☐ Yes ☐ No
If **yes**, list each of the top five positions with their salaries _____

NOTE: As a prerequisite to the allowance of the welfare exemption, an organization must receive an Organizational Clearance Certificate from the Board of Equalization.

Whom should we contact during normal business hours for additional information?

NAME _____

DAYTIME PHONE NUMBER
() _____

WEBSITE ADDRESS _____

E-MAIL ADDRESS _____

CERTIFICATION*I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing and all information hereon,
including any accompanying statements or documents, is true, correct and complete to the best of my knowledge and belief.*

SIGNATURE OF PERSON MAKING CLAIM _____

DATE _____

**THIS EXEMPTION CLAIM IS A PUBLIC RECORD AND IS SUBJECT TO PUBLIC INSPECTION.**

INSTRUCTIONS FOR FILING A CLAIM FOR AN ORGANIZATIONAL CLEARANCE CERTIFICATE – WELFARE EXEMPTION

(SEE SECTION 254.6 OF THE REVENUE AND TAXATION CODE)

ORGANIZATIONAL CLEARANCE CERTIFICATE

An organization that intends to claim the welfare exemption, shall file with the State Board of Equalization (Board) a claim for an *Organizational Clearance Certificate*. The Board shall review each claim to determine whether the organization meets the requirements of section 214 and shall issue a certificate to a claimant that meets these requirements. The Assessor may not approve a property tax exemption claim until the claimant has been issued a valid *Organizational Clearance Certificate*. If a welfare exemption claim is filed timely with the Assessor, the claim will be considered timely filed even if the claimant has not yet received the *Organizational Clearance Certificate* from the Board.

FILING OF CLAIM

Claims for the *Organizational Clearance Certificate* must be signed and filed with the Board's Assessment Policy and Standards Division's Exemption Section at the address listed on the front of this claim form. If you have any questions, you may contact the Exemption Section at 916-445-3524. Each claim must contain supporting documents **including financial statements**.

An officer or duly authorized representative of the organization must sign the claim.

A copy of the claim and supporting documents should be retained by the organization.

All questions must be answered. If you do not answer all questions, it may result in denial of the *Organizational Clearance Certificate*. Leave no blanks; use "no," "none," or "not applicable" where needed.

The Constitution and statutes of the State of California require that the organization meet certain requirements. In responding to the questions set forth on the claim, the details and activities of the organization since January 1 of the prior year should be considered and not the details of any property owned or operated by the organization.

Line 5. The initial fiscal year for which the *Organizational Clearance Certificate* is sought must be entered correctly. The proper fiscal year follows the lien date (12:01 a.m., January 1) as of which the taxable or exempt status of the property is determined. For example, a person filing a claim for an *Organizational Clearance Certificate* in February 2004 would enter "2004-2005" on line four of the claim; a "2003-2004" entry on a claim filed in February 2004 would signify that a claim was being filed for the preceding fiscal year. If the initial fiscal year for which the *Organizational Clearance Certificate* is sought is for a previous year, only one claim form is required. It is not necessary to file a separate claim for each fiscal year. (*See instructions for line 11.*)

Line 8. An organization **must** attach a copy of the Articles of Incorporation and any amendments thereto certified by the Secretary of State, or comparable instrument for unincorporated organizations.

If the corporation is a managing general partner of a Limited Partnership, please submit form BOE-267-L1 and a copy of the certified Secretary of State form LP-1 for each limited partnership. An *Organizational Clearance Certificate* cannot be issued without the Board's receipt of these documents.

Line 9. State briefly **all of the activities** in which the organization is currently engaged since January 1 of the prior year. *Do not copy a statement of purposes from the articles of incorporation or comparable instrument.* List the primary activity first. (*Attach copy of documentation describing activities of organization—for example, pamphlets, brochures, calendar of events.*)

Line 10. If the answer is yes, list the type of obligations (such as bonds, notes, etc.), the amounts of the obligations, the payment terms, and names of creditors. Use a separate schedule if necessary.

Line 11. In submitting the financial statements (balance sheet and operating statement) of the organization, the complete financial transactions of the organization should be included. If the nature of any item of income or disbursement is not clear from the account name, further explanation indicating the nature of the account should be appended. Line 5 identifies the initial fiscal year for which the *Organizational Clearance Certificate* is sought. Please submit financial statements for **each year** beginning from the year immediately preceding the fiscal year first claimed.

Line 12. An organization filing a claim for an *Organizational Clearance Certificate* **must** attach a copy of the letter evidencing the exemption from state franchise or income tax or a copy of the letter evidencing the exemption from federal income tax. **If the letter provided has subsequently been revoked, attach a copy of the letter stating that fact.**

Line 13. Give title of position (do not list names of position holders) and weekly or annual salary, commissions, or percentage payments.

ADDITIONAL INFORMATION

The organization must furnish additional information to the Board of Equalization (Board), if requested. The Board may institute an audit or verification of the operations of the organization to determine whether the organization meets the requirements of Revenue and Taxation Code section 214.